



READING BETWEEN THE LINES

Women's Poverty in the United States, 2006

395 Hudson Street New York, NY 10014-3684 t: 212.925.6635 f: 212.226.1066 www.legalmomentum.org

In 2006 the overall poverty rate was 12.3%, significantly higher than the 11.3% rate in 2000, the year before President Bush took office. Women were again much more likely to be poor than men, with 14.1 million poor adult women compared to 9.5 million poor adult men.

There has been a large gender poverty gap in every year since the official poverty standard was created in the 1960's. In 2006 adult women were 41% more likely to be poor than adult men.

The Census Bureau unfortunately has done little to publicize the gender poverty gap. While the Bureau's annual report highlights poverty rate differences based on categories such as age and race,¹ the Census Bureau has so far resisted giving similar attention to poverty rate differences based on gender, and this failure distorts the public perception of poverty in this country.²

Legal Momentum has compiled the information in this report from the detailed poverty tables that the Census Bureau posts on its website.³ These statistics reveal a deep gender gap in poverty rates, even when factors such as work experience, education, or family structure are taken into account.

POVERTY RATES FOR ADULT WOMEN AND MEN IN 2006

	Women	Men	Increased incidence of poverty among women compared to men
All adults (18 or above)	12.4	8.8	41%
Age 65 or above	11.5	6.6	74%
Single parents	37.8	18.7	102%
Worked	6.8	5.0	36%
High School only	14.0	9.3	51%
College less than 4 yrs	10.0	7.0	43%
College 4 yr degree	4.3	3.5	23%

Overall Poverty

Poverty is measured by comparing annual income with the federal poverty standard which the federal government updates annually for inflation. In 2006, the poverty standard was \$10,924 for an individual, \$13,167 for a family of 2, \$16,079 for a family of 3, and \$20,614 for a family of 4.

Women were about 41% more likely to be poor than men in 2006, with a poverty rate of 12.4% compared to 8.8% for men. One of every eight women was poor, compared to about one of every eleven men. The gender gap was even larger among the aged, with aged women 74% more likely to be poor than aged men.

While the gender poverty gap has been persistently large, until 2005 it had been declining. From 1987 to 1998, the ratio of women's poverty rate to men's poverty rate fluctuated between 1.51 and 1.58. The ratio fell to 1.48 in 1999, to 1.47 in 2000, to 1.42 in 2001, to 1.41 in 2002, to 1.39 in 2003, and to 1.37 in 2004. However, in 2005 the ratio increased to 1.45, before declining to 1.41 in 2006.

Work Experience

Work outside the home reduced the likelihood of being poor for both men and women. However, women who worked outside the home in 2006 were 36% more likely to be poor than men who worked outside the home, with a poverty rate of 6.8% compared to 5.0% for men. About one of every fifteen working women was poor, compared to about one of every twenty working men.

Education

While education reduces the likelihood of being poor for both men and women, women are much more likely to be poor than men with the same level of education. In 2006, women with a high school diploma but no college were 51% more likely to be poor than men with a high school diploma but no college, with a poverty rate of 14.0% compared to 9.3% for men. The 4.3% poverty rate for women with a bachelor's degree (or more) was 23% greater than the 3.5% rate for men with such a degree.

Single Parents

The 34.0% poverty rate for solo parents in 2006 was almost 5 times the 7.2% poverty rate for married parents. However, comparing married parents with all solo parents gives a misleading impression of the significance of family structure by concealing the sharp difference in poverty rates between solo fathers and solo mothers. The 37.8% poverty rate for solo mother families was twice the 18.7% rate for solo father families.

BEYOND THE SIMPLE NUMBERS

Child Care Costs

Poverty is measured based on gross income, rather than on income net of child care expenditures, perhaps because mothers were much less likely to be in the paid labor force when the poverty standard was formulated in the 1960's. If poverty were measured based on income net of child care expenditures so as to exclude income that is unavailable for other basic needs, many more women (and men) would be counted as poor. In 2002, the most recent year for which this data is available, child care expenditures for employed mothers with child care costs averaged \$412 a month.⁴

Hardship

Poverty is strongly associated with hardship. A 2001 study by the Economic Policy Institute found that about 30% of those below the poverty line experienced critical hardship, defined as being evicted, having utilities disconnected, doubling up in others' housing due to lack of funds, or not having enough food to eat; and that an additional 30% to 45% experienced other serious hardships.⁵

International Comparisons

Many studies have found that poverty rates in the United States are much higher than in other rich countries. One study concluded that the United States had the highest poverty rate for female-headed households among the 22 countries studied, 30.9% compared to the 10.5% average for the group.⁶ This study defined poverty as an income less than 50% of the median income and was based on national income surveys conducted in the early 1990's. In another study reporting on poverty rates for single persons in twenty three high income countries, the United States had the largest gender poverty gap.⁷

The exceptionally high poverty rate for single mothers in the United States is not the result of below average work effort. In a study of single mothers' employment rates (full or part time) in eight rich countries in the mid-1990's, the 69% employment rate for mothers in the United States was the highest rate and was twenty percentage points higher than the 49% average employment rate for mothers in the other seven countries (United Kingdom, Australia, Netherlands, Germany, Norway, Finland, Denmark).⁸ In a study reporting on average annual hours worked by poor single parents around 2000, the 1,087 average hours of work for poor single parents in the United States was the highest total, and almost twice the 582 average in the other six countries (Canada, Netherlands, Austria, Germany, Belgium, Ireland).⁹

One reason for the exceptionally high poverty rates in the United States seems to be that the U.S. invests less in social welfare programs: in 2000 the United States spent less than 3% of Gross Domestic Product on social assistance to the non-elderly, and this was less than half the spending on the non-elderly by Canada and Great Britain; less than a third of the spending by Germany, the Netherlands, and Belgium; and less than a fourth of the spending by Finland and Sweden.¹⁰ The United States also has much less generous parental leave than other rich countries and far less public support for child care.¹¹

Rising Living Standards

There is a broad consensus that poverty should be defined relative to contemporary living standards and consequently that any poverty line must be revised periodically. However, the official U.S. poverty line has not been adjusted in response to the rise in real income and the changes in general living standards since it was formulated over 35 years ago. If the poverty standard were adjusted to reflect the 30% increase in real household median income since 1967, many more women (and men) would be counted as poor.

For further information, contact Timothy Casey, Senior Staff Attorney: (212) 413-7556 or tcasey@legalmomentum.org

[With offices in New York City and Washington, D.C., Legal Momentum is the oldest legal advocacy organization in the United States dedicated to advancing the rights of women and girls. Since its founding in 1970, Legal Momentum has been a leader in establishing legal, legislative and educational strategies to secure equality and justice for women across the country. Its public policy and litigation agenda focuses on four areas that are of greatest concern to women in the United States: freedom from violence against women; equal work and equal pay; securing the health of women and girls; and strong families and strong communities. Legal Momentum advances this women's agenda through its five national legislative and educational programs: Employment and Housing Rights for Victims of Domestic Violence, Equality Works, Immigrant Women Program, National Judicial Education Program, and Sexuality and Family Rights Program. In addition to its public policy work, Legal Momentum litigates in state and federal courts across the country.]

NOTES

¹ The Census Bureau's report of key poverty statistics for 2006 is included in *Income, Poverty, and Health Insurance Coverage in the United States: 2006*, U.S. Census Bureau, P60-233 (2007). This report is available at <http://www.census.gov/prod/2007pubs/p60-233.pdf>.

² For example, the August 29, 2007 *New York Times* article about the new Census report – *Census Shows a Modest rise in U.S. Incomes* -- highlights racial and age differences in poverty but does not mention gender differences in poverty.

³ These more detailed reports are available at <http://pubdb3.census.gov/macro/032007/pov/toc.htm>.

⁴ For child care expense data, see <http://www.census.gov/population/www/socdemo/child/ppl-177.html>, Table 6.

⁵ Boushey & Gunderson, *When Work Just Isn't Enough*, EPI Briefing Paper (June 2001), available at <http://www.epinet.org/briefingpapers/hardshipsbp.pdf>.

⁶ Pressman, *Explaining the Gender Poverty Gap in Developed and Transitional Economies*, Luxembourg Income Study Working Paper No. 243 (Sept. 2000), available at <http://www.lisproject.org/publications/liswps/243.pdf>.

⁷ Pamala Wiepking & Ineke Maas, *Gender Differences In Poverty: A Cross-National Research*, Luxembourg Income Study Working Paper No. 389 (Oct. 2004). In six of these countries, single men actually had somewhat higher poverty rates than single women.

⁸ Mia Hakovirta, *The Income Sources Of Single Parents: A Comparative Analysis*, Luxembourg Income Study Working Paper No. 282 (Nov. 2001), available at <http://www.lisproject.org/publications/liswps/282.pdf>.

⁹ Timothy Smeeding, *Poor People in Rich Nations: The United States in Comparative Perspective*, Luxembourg Income Study Working Paper No. 419 (Oct. 2005), available at <http://www.lisproject.org/publications/liswps/419.pdf>

¹⁰ Timothy Smeeding, *Public Policy and Economic Inequality: The United States in Comparative Perspective*, Luxembourg Income Study Working Paper No. 367 (Feb. 2005), available at <http://www.lisproject.org/publications/liswps/367.pdf>

¹¹ Jane Waldfogel, "What Other Nations Do: International Policies Toward Parental Leave and Child Care," *The Future of Children* 11(4): 99–111 (2001), available at http://www.futureofchildren.org/information2826/information_show.htm?doc_id=79378